



The City of New York  
**Office of Management and Budget**  
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**Mark Page**  
Director

October 21, 2004

**TO THE FINANCIAL CONTROL BOARD**

Pursuant to Section 8.3 of the Financial Emergency Act (the "Act"), the City hereby submits for review by the Financial Control Board, Modification No. 05-1 to the Financial Plan for the City and Covered Organizations for fiscal years 2005-2008 (the "Modification") as such plan relates to fiscal year 2005. The Modification as it relates to the City is attached hereto as Exhibit A. Any Covered Organization which requires modification will be forwarded to you under separate cover.

The Four Year Financial Plan has been prepared in accordance with generally accepted accounting principles ("GAAP"), with the exception of that portion of the plan related to Covered Organizations, which are prepared on a cash basis.

The City hereby certifies that, in its judgement, the Modification is complete and complies with the standards set forth in Section 8.1 of the Act.

Yours truly,

  
Mark Page

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### EXHIBIT A

### CITY OF NEW YORK - FINANCIAL PLAN

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**Four Year Financial Plan Revenues and Expenditures**  
(\$ in millions)

<b>REVENUES</b>	<b>FY 2005</b>	<b>FY 2006</b>	<b>FY 2007</b>	<b>FY 2008</b>
Taxes				
General Property Tax	\$ 11,616	\$ 12,087	\$ 12,617	\$ 13,427
Other Taxes	15,723	15,358	15,756	16,564
Tax Audit Revenue	523	508	509	509
Miscellaneous Revenues	5,980	4,293	4,231	4,263
Unrestricted Intergovernmental Aid	562	562	562	562
Anticipated Federal Actions	50	-	-	-
Less: Intra-City Revenue	(1,189)	(1,130)	(1,129)	(1,129)
Disallowances Against Categorical Grants	(15)	(15)	(15)	(15)
Subtotal: City Funds	\$ 33,250	\$ 31,663	\$ 32,531	\$ 34,181
Other Categorical Grants	803	877	866	866
Inter-Fund Revenues	349	335	331	331
Total City Funds & Inter-Fund Revenues	\$ 34,402	\$ 32,875	\$ 33,728	\$ 35,378
Federal Categorical Grants	4,957	4,576	4,559	4,549
Federal - FEMA Insurance Program	1,000	-	-	-
State Categorical Grants	8,709	8,594	8,670	8,741
Total Revenues	\$ 49,068	\$ 46,045	\$ 46,957	\$ 48,668
<b>EXPENDITURES</b>				
Personal Service				
Salaries and Wages	\$ 17,205	\$ 17,268	\$ 17,256	\$ 17,156
Pensions	3,376	4,107	4,515	4,502
Fringe Benefits	5,160	5,431	5,724	6,069
Subtotal - Personal Service	\$ 25,741	\$ 26,806	\$ 27,495	\$ 27,727
Other Than Personal Service				
Medical Assistance	4,733	4,768	4,863	5,053
Public Assistance	2,353	2,302	2,303	2,303
Pay-As-You-Go Capital	200	200	200	200
All Other	14,029	12,859	13,033	13,211
Subtotal - Other Than Personal Service	\$ 21,315	\$ 20,129	\$ 20,399	\$ 20,767
Debt Service	2,207	2,905	4,068	4,350
Budget Stabilization	574	-	-	-
MAC Debt Service	120	-	-	-
General Reserve	300	300	300	300
Total Expenditures	\$ 50,257	\$ 50,140	\$ 52,262	\$ 53,144
Less: Intra-City Expenses	(1,189)	(1,130)	(1,129)	(1,129)
Total Expenditures	\$ 49,068	\$ 49,010	\$ 51,133	\$ 52,015
<b>Gap To Be Closed</b>	\$ -	\$ (2,965)	\$ (4,176)	\$ (3,347)
<i>Out-Year Gap Closing Plan</i>				
Asset Sales	75	315	150	150
State Actions	-	650	400	400
Federal Actions	-	300	300	300
Pensions/Health Insurance	-	325	200	-
Eliminate Pay-Go Capital	200	200	200	200
Agency Actions	300	600	600	600
Prepay FY2006 Expenses	(575)	575	-	-
Total Out-Year Gap Closing Plan	\$ -	\$ 2,965	\$ 1,850	\$ 1,650
Remaining Out Year Gap	\$ -	\$ -	\$ (2,326)	\$ (1,697)

**New York City Financial Plan  
Four Year Projections of Cash Sources and Uses  
(\$ in millions)**

<b>Sources of Cash</b>	<b>FY 2005</b>	<b>FY 2006</b>	<b>FY 2007</b>	<b>FY 2008</b>
From Operations:				
Surplus/(Deficit)	\$ -	\$ -	\$ -	\$ -
Changes in accounts receivable, accounts payable, accrued liabilities and other liabilities	(1,852)	-	-	-
Provision for disallowances of aid revenues	15	15	15	15
Disallowances Paid	(15)	(15)	(15)	(15)
<b>Funds Provided/(Used) from Operations</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Proceeds from Seasonal Borrowings	-	2,400	2,400	2,400
Capital Plan Funding Sources (see Exhibit A-3)	6,213	7,148	7,601	7,733
<b>Total Sources</b>	<b>\$ 4,361</b>	<b>\$ 9,548</b>	<b>\$ 10,001</b>	<b>\$ 10,133</b>
<b>Uses of Cash</b>				
Capital Disbursements	6,213	7,148	7,601	7,733
Repayment of Seasonal Borrowings	-	2,400	2,400	2,400
Other - Net	-	-	-	-
<b>Total Uses</b>	<b>\$ 6,213</b>	<b>\$ 9,548</b>	<b>\$ 10,001</b>	<b>\$ 10,133</b>
<b>Net Sources/(Uses) of Cash</b>	<b>\$ (1,852)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Cash Balance - Beginning of Period	\$ 4,208	\$ 2,356	\$ 2,356	\$ 2,356
Cash Balance - End of Period	\$ 2,356	\$ 2,356	\$ 2,356	\$ 2,356

**New York City Financial Plan  
Four Year Capital Plan Funding Sources  
(\$ in millions)**

<b>Sources of Capital Cash</b>	<b>FY 2005</b>	<b>FY 2006</b>	<b>FY 2007</b>	<b>FY 2008</b>
New York City General Obligation Bonds	\$ 3,830	\$ 3,950	\$ 4,300	\$ 4,320
Other Long-Term Sources:				
TSASC	45	0	0	0
Water Authority	1,316	1,525	1,606	1,573
Pay-As-You-Go Capital	200	200	200	200
Total Long-Term Sources	\$ 5,391	\$ 5,675	\$ 6,106	\$ 6,093
Receipt of Federal, State and other Reimbursable Capital	965	1,358	1,430	1,542
Changes in Restricted Cash	(143)	115	65	98
Total Capital Plan Funding Sources	<u>\$ 6,213</u>	<u>\$ 7,148</u>	<u>\$ 7,601</u>	<u>\$ 7,733</u>

**New York City Financial Plan  
Fiscal Year 2005 Borrowing Schedule  
(\$ in millions)**

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Total Financing
<b>Short-Term Borrowing:</b>					
Borrowing	\$ -	\$ -	\$ -	\$ -	\$ -
Repayment	-	-	-	-	-
<b>Total Short-Term Borrowing (Repayment)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Capital Borrowing:</b>					
New York City General Obligation Transitional Finance Authority	\$ 730	\$ 1,100	\$ 1,500	\$ 500	\$ 3,830
TSASC <sup>1</sup>	14	15	12	4	45
Water Authority <sup>2</sup>	366	700	-	250	1,316
Pay-As-You-Go Capital	-	-	-	200	200
<b>Total Borrowing to finance City Capital Program</b>	<b>\$ 1,110</b>	<b>\$ 1,815</b>	<b>\$ 1,512</b>	<b>\$ 954</b>	<b>\$ 5,391</b>
<b>Other Borrowing</b>					
Jay Street Development Corp.	\$ -	\$ -	\$ -	\$ -	\$ -

## Notes:

1. Includes Transportation Infrastructure Finance Innovation Act loan draws and excludes costs of issuance, reserve fund allocations, capitalized interest and amounts to finance Fresh Kills landfill.
2. Excludes costs of issuance and reserve fund allocations and reflects Water Authority Commercial Paper and revenue bonds issued to finance the water and sewer system's capital program. Amounts do not include revenue bonds issued to permanently finance previously issued commercial paper.

**New York City Financial Plan  
Four Year Capital Plan  
(\$ in millions)**

**Projected Capital Commitments**

	FY 2005	FY 2006	FY 2007	FY 2008	Total
City	\$ 7,105	\$ 6,855	\$ 6,073	\$ 5,157	\$ 25,190
Non-City	2,580	1,700	1,742	1,647	7,669
<b>Total</b>	<b>\$ 9,685</b>	<b>\$ 8,555</b>	<b>\$ 7,815</b>	<b>\$ 6,804</b>	<b>\$ 32,859</b>

**Projected Capital Expenditures**

	FY 2005	FY 2006	FY 2007	FY 2008	Total
City	\$ 5,248	\$ 5,790	\$ 6,171	\$ 6,191	\$ 23,400
Non-City <sup>1</sup>	965	1,358	1,430	1,542	5,295
City-administered Capital Plan	\$ 6,213	\$ 7,148	\$ 7,601	\$ 7,733	\$ 28,695
DASNY	10	-	-	-	10
<b>Total Capital Plan Expenditures</b>	<b>\$ 6,223</b>	<b>\$ 7,148</b>	<b>\$ 7,601</b>	<b>\$ 7,733</b>	<b>\$ 28,705</b>

Notes:

1. Includes Federal, State and other Reimbursable Capital.